

ADOPTED

MEMORANDUM

AUGUST 15, 1990

TO: THE BOSTON REDEVELOPMENT AUTHORITY AND
STEPHEN COYLE, DIRECTOR

FROM: THOMAS O'MALLEY, ASSISTANT DIRECTOR FOR
NEIGHBORHOOD HOUSING AND DEVELOPMENT
ANTONIO TORRES, DEPUTY DIRECTOR
NEIGHBORHOOD HOUSING AND DEVELOPMENT
AARON SCHLEIFER, HOUSING ANALYST

SUBJECT: FIRST AMENDMENT TO B'NAI B'RITH'S 150 UNIT ELDERLY 121A
DEVELOPMENT LOCATED IN BRIGHTON, MASSACHUSETTS.

SUMMARY: REQUEST FOR THE FIRST AMENDMENT TO THE B'NAI B'RITH
SENIOR CITIZENS HOUSING CORPORATION'S CHAPTER 121A DEVELOPMENT
PROPOSAL TO CONSTRUCT 50 ADDITIONAL UNITS OF LOW-INCOME ELDERLY
HOUSING TO THE EXISTING 150 UNIT LOW-INCOME ELDERLY DEVELOPMENT.

OVERVIEW:

On April 11, 1990, the B'nai B'rith Senior Citizens Housing Corporation (BBSCHC) filed an amendment to existing Authorization and Approval of a Project under M.G.L. c. 121A at 30-34 Washington Street, Brighton, Massachusetts. The proposal is to construct 50 apartments using H.U.D. section 202 financing to create 12 studio and 38 one bedroom apartments (the "Project"). The completed Project will provide 200 studio, one, and two bedroom apartments with 53 off-street parking spaces.

BACKGROUND:

On March 6, 1980, the Boston Redevelopment Authority approved the Chapter 121A application by B'nai B'rith Senior Citizens Housing Corporation to construct a 9 story 150 unit elderly development, 142 one bedroom apartments and 7 with two bedrooms.

The site is located in a predominantly multi-family neighborhood and contained an abandoned two-story industrial building and with an accessory parking lot which had deteriorated and become a blight and health hazard to the surrounding neighborhood. The Project provides a stable well maintained and safe housing environment for the neighborhood and has contributed to the revitalization of the Allston-Brighton community.

FINANCING:

On September 28, 1989, the BBSCHC was selected by the Department of Housing and Urban Development (HUD) for a Section 202 Fund Reservation to construct 50 units of housing for the elderly. Loan Authority in the amount of \$3,732,000, has been reserved for this project.

The estimated rental revenue from the Project is \$502,313 per year. The estimated annual operating expenses are \$435,278. The net available for real estate taxes or payment in lieu of taxes is \$67,278. Real estate taxes under present assessment practices and tax rates would be far in excess of what will be available. Also, real estate taxes are subject to fluctuation on account of changes in the tax laws and assessment practice, exposing the Project owner to risks of tax increases of unforeseeable amounts. It is therefore not feasible for a private enterprise to undertake the Project without a 6A agreement.

The 6A agreement minimizes the uncertainty as to the amount of payments due to governmental bodies. The Project is then feasible under Chapter 121A. The Project will be financed under the HUD section 202 program by B'nai B'rith.

PUBLIC USE AND BENEFIT:

The Project contributes to the City's and the Authority's policies and efforts concerning the expansion of the supply of affordable housing, particularly regarding the elderly population. The existing 150 unit development has proven to be a valuable community asset providing both affordable housing and a community center for the neighborhood.

An Appropriate Vote follows:

VOTED: That the Director is authorized to approve the amendment to an Urban Redevelopment Corporation under the name B'nai B'rith Senior Citizens Housing Corporation, pursuant to Massachusetts General Laws Chapter 121A, as amended and Chapter 652 of the Acts of 1960, created on April 30, 1981, for the purpose of undertaking and carrying out the Project; the amendment be and hereby is approved and adopted.